

**Ausbil Investment Trusts - Australian Active
Equity Fund**

ARSN 089 996 127

**Annual financial report for the year ended
30 June 2009**

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Contents

	Page
Directors' report	2
Auditor's independence declaration	5
Income statements	6
Balance sheets	7
Statements of recognised income and expenses	8
Cash flow statements	9
Notes to the financial statements	10
Directors' declaration	27
Independent auditor's report to the unitholders of Ausbil Investment Trusts - Australian Active Equity Fund	28

This financial report covers Ausbil Investment Trusts - Australian Active Equity Fund as an individual entity and the Consolidated Entity consisting of Ausbil Investment Trusts - Australian Active Equity Fund and its subsidiary.

The responsible entity of Ausbil Investment Trusts - Australian Active Equity Fund is Ausbil Dexia Limited (ABN 26 076 316 473). The responsible entity's registered office is Level 23, 207 Kent Street, Sydney, NSW 2000.

Directors' report

The directors of Ausbil Dexia Limited, the Responsible Entity of Ausbil Investment Trusts - Australian Active Equity Fund ("the Scheme"), present their report together with the consolidated financial report of Ausbil Investment Trusts - Australian Active Equity Fund and its controlled entities (collectively, "the Consolidated Entity") for the year ended 30 June 2009.

Responsible Entity

The Responsible Entity of the Scheme is Ausbil Dexia Limited (ABN 26 076 316 473). The Responsible Entity's registered office is Level 23, 207 Kent Street, Sydney, NSW 2000.

Principal activities

The Scheme is to provide long-term growth with moderate tax effective income.

The Scheme primarily invests in the Ausbil Managed Trusts - Australian Active Equity Fund which has similar investment objectives. Through this investment the Scheme obtains a wide range of assets primarily including Australian equities, but also may include listed and unlisted unit trusts, public and private sector fixed interest securities, bank-backed and short term money market securities, options and future contracts.

The assets are actively managed with focus on flexible sector management and adequate diversification to minimise risk. The manager's chosen benchmark is the S&P/ASX 300 Accumulation Index (formerly the ASX All Ordinaries Index).

There were no significant changes in the nature of the Consolidated Entity's activities during the year.

The Consolidated Entity did not have any employees during the year.

Directors

The following persons held office as directors of Ausbil Dexia Limited during the year or since the end of the year and up to the date of this report:

P Xiradis
 H M Tranchimand (Resigned 23 April 2009)
 T de Villenfagne
 A Lancaster
 J Grace
 W Vermeir
 N Abou-Jaoudé
 M Vanderelst (Appointed 23 April 2009)

Review and results of operations

There have been no significant changes to the operations of the Consolidated Entity since the previous financial period. The Consolidated Entity continued to invest funds in accordance with target asset allocations as set out in the governing documents of the Scheme and in accordance with the provisions of the Scheme's Constitution.

The performance of the Consolidated Entity and of the Scheme, as represented by the results of its operations, was as follows:

	Consolidated		Parent	
	For year ended		For year ended	
	30 June	30 June	30 June	30 June
	2009	2008	2009	2008
Net operating profit/(loss) before finance costs attributable to unitholders (\$'000)	(445,501)	(275,694)	(431,486)	(268,238)
Distribution paid and payable (\$'000)	86,148	69,729	83,404	67,261
Distribution (cents per unit)	-	-	9.164	8.689

Directors' report (continued)

Significant changes in state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Consolidated Entity that occurred during the financial year under review.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2009 that has significantly affected, or may significantly affect:

- (i) the operations of the Consolidated Entity in future financial years, or
- (ii) the results of those operations in future financial years, or
- (iii) the state of affairs of the Consolidated Entity in future financial years.

Likely developments and expected results of operations

The Consolidated Entity will continue to be managed in accordance with the investment objectives and guidelines as set out in the governing documents of the Scheme and in accordance with the provisions of the Trust Constitution.

Further information on likely developments in the operations of the Consolidated Entity and the expected results of those operations have not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Consolidated Entity.

Indemnification and insurance of officers and auditors

No insurance premiums are paid for out of the assets of the Consolidated Entity in regards to insurance cover provided to either the officers of Ausbil Dexia Limited or the auditors of the Consolidated Entity. So long as the officers of Ausbil Dexia Limited act in accordance with the Scheme's Constitution and the Law, the officers remain indemnified out of the assets of the Consolidated Entity against losses incurred while acting on behalf of the Consolidated Entity. The auditors of the Consolidated Entity are in no way indemnified out of the assets of the Consolidated Entity.

Fees paid to and interests held in the Consolidated Entity by the Responsible Entity or its associates

Fees paid to the Responsible Entity and its associates out of Consolidated Entity property during the year are disclosed in note 15 of the financial reports.

No fees were paid out of Consolidated Entity property to the directors of the Responsible Entity during the year.

The number of interests in the Consolidated Entity held by the Responsible Entity or its associates as at the end of the financial year are disclosed in note 15 of the financial reports.

Interests in the Consolidated Entity

The movement in units on issue in the Consolidated Entity during the year are disclosed in note 6 of the financial reports.

The value of the Consolidated Entity's assets and liabilities is disclosed on the balance sheets and derived using the basis set out in note 2 of the financial reports.

Environmental regulation

The operations of the Consolidated Entity are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

Rounding of amounts to the nearest thousand dollars

The Consolidated Entity is an entity of the kind referred to in Class Order 98/0100 (as amended) issued by the Australian Securities and Investments Commission relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

Directors' report (continued)

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

This report is made in accordance with a resolution of the directors.



P Xiradis
Director

Sydney
23 September 2009

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Auditor's Independence Declaration

As lead auditor for the audit of Ausbil Investment Trusts – Australian Active Equity Fund for the year ended 30 June 2009, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Ausbil Investment Trusts – Australian Active Equity Fund and the entities it controlled during the period.



Rob Spring
Partner
PricewaterhouseCoopers

Sydney
23 September 2009

Income statements

	Notes	Consolidated For year ended		Parent For year ended	
		30 June 2009 \$'000	30 June 2008 \$'000	30 June 2009 \$'000	30 June 2008 \$'000
Investment income					
Interest income from financial assets not held at fair value through profit or loss		3,088	5,006	-	44
Dividend income		96,912	81,297	-	-
Trust distributions	3	5,520	9,720	101,833	89,950
Net gains/(losses) on financial instruments held at fair value through profit or loss	4	(528,321)	(345,343)	(514,890)	(335,500)
Other operating income		501	410	-	2
Total net investment income/(loss)		<u>(422,300)</u>	<u>(248,910)</u>	<u>(413,057)</u>	<u>(245,504)</u>
Expenses					
Manager's fees	15	18,429	22,734	18,429	22,734
Transaction costs		4,772	4,050	-	-
Total operating expenses		<u>23,201</u>	<u>26,784</u>	<u>18,429</u>	<u>22,734</u>
Net operating profit/(loss)		<u>(445,501)</u>	<u>(275,694)</u>	<u>(431,486)</u>	<u>(268,238)</u>
Financing costs attributable to unitholders					
Distributions to unitholders of the parent entity	7	83,404	67,261	83,404	67,261
Distributions to minority interests		2,744	2,468	-	-
Increase/(decrease) in net assets attributable to unitholders	6	(519,145)	(337,010)	(514,890)	(335,499)
Increase/(decrease) in net assets attributable to minority interests		(12,504)	(8,413)	-	-
Net profit/(loss) for the year		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The above income statements should be read in conjunction with the accompanying notes.

Balance sheets

	Notes	Consolidated As at		Parent As at	
		30 June 2009 \$'000	30 June 2008 \$'000	30 June 2009 \$'000	30 June 2008 \$'000
Assets					
Cash and cash equivalents	8	38,162	68,999	-	-
Receivables	9	36,688	40,268	62,586	51,605
Financial assets held at fair value through profit or loss	10	<u>2,283,038</u>	<u>2,405,174</u>	<u>2,180,523</u>	<u>2,366,057</u>
Total assets		<u>2,357,888</u>	<u>2,514,441</u>	<u>2,243,109</u>	<u>2,417,662</u>
Liabilities					
Distributions payable	7	45,967	27,140	44,429	26,210
Payables	12	60,614	50,409	10,668	15,719
Net assets attributable to minority interests		<u>63,295</u>	<u>61,159</u>	-	-
Total liabilities (excluding net assets attributable to unitholders of the parent entity)		<u>169,876</u>	<u>138,708</u>	<u>55,097</u>	<u>41,929</u>
Net assets attributable to unitholders - liability	6	<u>2,188,012</u>	<u>2,375,733</u>	<u>2,188,012</u>	<u>2,375,733</u>

The above balance sheets should be read in conjunction with the accompanying notes.

Statements of recognised income and expenses

	Consolidated		Parent	
	For year ended		For year ended	
	30 June	30 June	30 June	30 June
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
Net profit/(loss) for the year	-	-	-	-
Net income recognised directly in equity	-	-	-	-
Total recognised income and expense for the financial year	-	-	-	-

In accordance with AASB 132 'Financial Instruments: Disclosure and Presentations', net assets attributable to unitholders is classified as a liability rather than equity.

Changes in net assets attributable to unitholders are disclosed in Note 6.

The above statement of recognised income and expenses should be read in conjunction with the accompanying notes.

Cash flow statements

	Notes	Consolidated For year ended		Parent For year ended	
		30 June 2009 \$'000	30 June 2008 \$'000	30 June 2009 \$'000	30 June 2008 \$'000
Cash flows from operating activities					
Proceeds from sale of financial instruments held at fair value through profit or loss		1,314,931	1,134,555	512,335	941,052
Purchase of financial instruments held at fair value through profit or loss		(1,704,475)	(1,419,346)	(753,327)	(1,341,855)
Transaction costs on purchase of financial instruments held at fair value through profit or loss		(5,158)	(4,329)	-	-
Interest received		3,088	5,006	-	44
Dividends received		94,755	77,679	-	-
Trust distributions received		7,942	7,800	-	-
Other operating income received		502	410	-	-
Manager fees paid		(19,964)	(24,196)	(19,964)	(24,196)
RITC received		1,669	1,896	1,439	1,572
Net cash outflow from operating activities	16(a)	(306,710)	(220,525)	(259,517)	(423,383)
Cash flows from financing activities					
Proceeds from applications by unitholders		801,616	1,194,472	755,561	1,336,452
Payments for redemptions by unitholders		(475,883)	(826,637)	(446,184)	(807,897)
Distributions paid		(49,861)	(106,557)	(49,860)	(106,556)
Net cash inflow from financing activities		275,872	261,278	259,517	421,999
Net increase/(decrease) in cash and cash equivalents		(30,838)	40,753	-	(1,384)
Cash and cash equivalents at the beginning of the year		69,000	28,247	-	1,384
Cash and cash equivalents at the end of the year	16(b),8	38,162	69,000	-	-
Non-cash financing activities	16(c)				

The above cash flow statements should be read in conjunction with the accompanying notes.

Contents

	Page
1 General information	11
2 Summary of significant accounting policies	11
3 Trust distributions	17
4 Net gains/(losses) on financial assets held at fair value through profit or loss	17
5 Auditors' remuneration	17
6 Net assets attributable to unitholders	18
7 Distributions to unitholders	19
8 Cash and cash equivalents	19
9 Receivables	19
10 Financial assets held at fair value through profit or loss	19
11 Investments in subsidiaries	20
12 Payables	20
13 Segment information	20
14 Financial risk management	20
15 Related parties	23
16 Reconciliation of net profit/(loss) to net cash outflow from operating activities	25
17 Events occurring after the balance date	26
18 Contingent assets and liabilities and commitments	26

1 General information

This financial report includes separate financial statements for Ausbil Investment Trusts - Australian Active Equity Fund ("the Scheme") as an individual entity and the Consolidated Entity consisting of Ausbil Investment Trusts - Australian Active Equity Fund and its subsidiaries. The Scheme was constituted on 30 April 1997. The Scheme will terminate on 30 April 2077 unless terminated earlier in accordance with the provisions of the Scheme's Constitution.

The Responsible Entity of the Scheme is Ausbil Dexia Limited (the "Responsible Entity"). The Responsible Entity's registered office is Level 23, 207 Kent Street Sydney, NSW 2000. The Responsible Entity is incorporated and domiciled in Australia.

The ultimate parent of the Consolidated Entity is Ausbil Investment Trusts- Australian Active Equity Fund

The financial statements were authorised for issue by the directors on 23 September 2009. The directors of the Responsible Entity have the power to amend and reissue the financial report.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated in the following text.

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001* in Australia.

The financial report is prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The balance sheet is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are generally expected to be recovered or settled within twelve months, except for financial assets and financial liabilities held at fair value through profit or loss. The amount expected to be recovered in relation to the balance for financial assets held at fair value through profit or loss cannot be reliably determined. The maturity analysis for financial liabilities at fair value through profit or loss is disclosed in the Financial Risk Management Note 14(d).

Compliance with International Financial Reporting Standards

The financial report of the Scheme complies with International Financial Reporting Standards, Interpretations and other authoritative pronouncements as issued and/or adopted by the International Accounting Standards Board.

(b) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Ausbil Investment Trusts - Australian Active Equity Fund ("the parent entity") as at 30 June 2009 and the results of all subsidiaries for the year then ended. Ausbil Investment Trusts - Australian Active Equity Fund and its subsidiaries together are referred to in this financial report as the Consolidated Entity.

Subsidiaries are all those entities over which the Consolidated Entity has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Consolidated Entity controls another entity.

All transactions (including gains and losses) and balances between entities in the consolidated group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

Investments in subsidiaries are accounted for at fair value in the individual financial statements of Ausbil Investment Trusts - Australian Active Equity Fund.

2 Summary of significant accounting policies (continued)

(c) Financial instruments

(i) Classification

The Consolidated Entity's investments are financial instruments designated at fair value through profit or loss upon initial recognition. These include financial assets that are not held for trading purposes and which may be sold. These may include investments in exchange traded equity instruments, unlisted trusts and unlisted equity instruments.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Consolidated Entity's documented investment strategy. The Consolidated Entity's policy is for the Responsible Entity to evaluate the information about these financial assets on a fair value basis together with other related financial information.

The information on the fair value basis is provided internally to the Consolidated Entity's key management personnel. In addition, the designation of financial assets and financial liabilities at fair value through profit or loss will reduce any measurement or recognition inconsistencies and any accounting mismatch that would otherwise arise.

(ii) Recognition/derecognition

The Consolidated Entity recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Consolidated Entity retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' agreement; or
- the Consolidated Entity has transferred its rights to receive cash flows from the asset and either:
 - (a) has transferred substantially all the risks and rewards of the asset; or
 - (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Any gains or losses arising on derecognition of the asset (calculated as the difference between the disposal proceeds and the carrying amount of the asset) are included in the income statements in the year the asset is derecognised as realised gains or losses on financial instruments.

(iii) Measurement

Financial assets and liabilities held at fair value through profit or loss are measured initially at fair value. Subsequent to initial recognition, all instruments held at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the income statements.

- Fair value in an active market

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the balance sheet date without any deduction for estimated future selling costs. Financial assets are priced at current bid prices, while financial liabilities are priced at current asking prices.

(iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheets when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2 Summary of significant accounting policies (continued)

(d) Net assets attributable to unitholders

Units are redeemable at the unitholders' option and are therefore classified as financial liabilities. The units can be put back to the Consolidated Entity at any time for cash equal to a proportionate share of the Consolidated Entity's net asset value. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the balance sheet date if unitholders exercised their right to put the units back to the Consolidated Entity. As the Consolidated Entity's redemption unit price is based on different valuation principles to that applied in financial reporting, a valuation difference exists, which forms part of net assets attributable to unitholders. Changes in the value of this financial liability are recognised in the income statement as they arise.

(e) Cash and cash equivalents

For cash flow statements presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, high liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Consolidated Entity's main income generating activity.

(f) Investment income

Interest income and interest expenses are recognised in the income statement for all financial instruments on an accrual basis. Other changes in fair value for such instruments are recorded in accordance with the policies described in note 2(c).

Dividend income is recognised on the ex-dividend date.

Trust distributions are recognised on an entitlements basis.

Net gains/(losses) on financial assets and financial liabilities held at fair value through profit or loss arising on a change in fair value are calculated as the difference between the fair value at year end and the fair value at the previous valuation point. Net gains/(losses) do not include interest or dividend/distribution income. Realised and unrealised gains/(losses) are shown in the notes to the financial statements.

(g) Expenses

All expenses are recognised in the income statement on an accruals basis.

(h) Income tax

Under current legislation, the Consolidated Entity is not subject to income tax provided the taxable income of the Consolidated Entity is fully distributed either by way of cash or reinvestment (ie unitholders are presently entitled to the income of the Consolidated Entity).

Financial instruments held at fair value may include unrealised capital gains. Should such a gain be realised, that portion of the gain that is subject to capital gains tax will be distributed so that the Consolidated Entity is not subject to capital gains tax.

Realised capital losses are not distributed to unitholders but are retained in the Consolidated Entity to be offset against any realised capital gains. If realised capital gains exceed realised capital losses, the excess is distributed to unitholders.

The benefits of imputation credits are passed on to unitholders.

2 Summary of significant accounting policies (continued)

(i) Distributions

In accordance with the Scheme's Constitution, the Scheme distributes income adjusted for amounts determined by the Responsible Entity, to unitholders by cash or reinvestment. The distributions are recognised in the income statements as finance costs attributable to unitholders.

(j) Increase/(decrease) in net assets attributable to unitholders

Movements in net assets attributable to unitholders are recognised in the income statement as part of finance costs. The movement includes undistributable income which may consist of undistributable unrealised changes in the fair value of financial instruments held at fair value through profit or loss, accrued income not yet assessable, net capital losses and tax free or tax deferred income. Net capital gains on the realisation of any financial instruments (including any adjustments for tax deferred income previously taken directly to net assets attributable to unitholders) and accrued income not yet assessable will be included in the determination of distributable income in the same year in which it becomes assessable for tax.

(k) Receivables

Receivables may include amounts for dividends, interest, trust distribution, securities sold where settlement has not yet occurred, Reduced Input Tax Credits (RITC) and application monies receivable from unitholders. Dividends and trust distributions are accrued when the right to receive payment is established. Amounts are generally received within 30 days of being recorded as receivables.

(l) Payables

Payables includes liabilities and accrued expenses owing by the Consolidated Entity which are unpaid as at balance date.

Trades are recorded on trade date, and normally settled within three business days. Purchases of financial instruments that are unsettled at reporting date are included in payables.

The distribution amount payable to unitholders as at the reporting date is recognised separately on the balance sheets as unitholders are presently entitled to the distributable income as at 30 June 2009 under the Scheme's Constitution.

(m) Applications and redemptions

Applications received for units in the Consolidated Entity are recorded net of any entry fees payable prior to the issue of units in the Consolidated Entity. Redemptions from the Consolidated Entity are recorded gross of any exit fees payable after the cancellation of units redeemed.

Unit prices are determined in accordance with the Parent Entity's Constitution by reference to the net assets for the Consolidated Entity divided by the number of units on issue.

(n) Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Consolidated Entity by third parties such as audit fees, custodial services and investment management fees have been passed onto the Consolidated Entity. The Consolidated Entity qualifies for Reduced Input Tax Credits (RITC) at a rate of 75% hence investment management fees, custodial fees and other expenses have been recognised in the income statements net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the balance sheets. Cash flows relating to GST are included in the cash flow statements on a gross basis.

2 Summary of significant accounting policies (continued)

(o) Use of estimates

The Consolidated Entity makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For certain other financial instruments, including amounts due from/to brokers and accounts payable, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

For the years ended 30 June 2009 and 30 June 2008, the Consolidated Entity did not include financial assets and financial liabilities that were determined using valuation techniques. The fair values of the majority of the Consolidated Entity's financial assets and liabilities for the years then ended were determined directly, in full or in part, by reference to quoted prices that were available from various sources, such as exchanges, dealers, brokers, industry groups and pricing services.

(p) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2009 reporting periods and have not yet been applied in the financial report. The directors' assessment of the impact of these new standards (to the extent relevant to the consolidated entity) and interpretations is set out below:

(i) AASB 8 *Operating Segments* and AASB 2007-3 *Amendments to Australian Accounting Standards arising from AASB 8 (effective from 1 January 2009)*

AASB 8 will result in a significant change in the approach to segment reporting, as it requires adoption of a 'management approach' to reporting on financial performance. The information being reported will be based on what the key decision makers use internally for evaluating segment performance and deciding how to allocate resources to operating segments. The Scheme will adopt AASB 8 from 1 July 2009. The Consolidated Entity is organised into one main segment which operates solely in the business of investment management within Australia. Consequently, no detailed segment reporting is provided in the Consolidated Entity's financial statements. The Consolidated Entity does not expect that any adjustments will be necessary as the result of applying the revised rules.

(ii) Revised AASB 101 *Presentation of Financial Statements* and AASB 2007-8 *Amendments to Australian Accounting Standards arising from AASB 101 (effective from 1 January 2009)*

The revised AASB 101 requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If the Scheme has made a prior period adjustment or has reclassified items in the financial statements, it will need to disclose a third balance sheet (statement of financial position) as at the beginning of the comparative period. The Scheme will apply the revised standard from 1 July 2009. The Consolidated Entity does not expect that any adjustments will be necessary as the result of applying the revised rules.

(iii) AASB 132 *Financial Instruments: Presentation* and AASB 2008-2 *Amendments to Australian Accounting Standards - Puttable Financial Instruments and Obligations Arising on Liquidation (Revised AASB 132) (effective from 1 January 2009)*

Revised AASB 132 is applicable for reporting periods beginning on or after 1 January 2009. The Consolidated Entity has not adopted this standard early. Application of this standard will not affect any of the amounts recognised in the financial statements as the Consolidated Entity is obligated to distribute all of its taxable income in accordance with the Trust's Constitution. Accordingly, there will be no change to classification of unitholders' funds as a liability and therefore no impact on profit or loss and equity.

(iv) Improvements to Australian Accounting Standards: AASB 2008-5 and AASB 2008-6

2 Summary of significant accounting policies (continued)

(p) New accounting standards and interpretations (continued)

In July 2008, the AASB issued a number of improvements to existing Australian Accounting Standards. The amendments will generally apply to financial reporting periods commencing on or after 1 January 2009, except for some changes to AASB 5 *Non-current Assets Held for Sale and Discontinued Operations* regarding the sale of the controlling interest in a subsidiary which will apply from 1 July 2009. The Consolidated Entity does not expect that any adjustments will be necessary as the result of applying the revised rules.

(v) AASB 2008-7 *Amendments to Australian Accounting Standards - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*

In July 2008, the AASB approved amendments to AASB 1 *First-time Adoption of International Financial Reporting Standards* and AASB 127 *Consolidated and Separate Financial Statements*. The Consolidated Entity will apply the revised rules prospectively from 1 July 2009. After that date, all dividends received from investments in subsidiaries, jointly controlled entities or associates will be recognised as revenue, even if they are paid out of pre-acquisition profits, but the investments may need to be tested for impairment as a result of the dividend payment. Furthermore, when a new intermediate parent entity is created in internal reorganisations and the new parent accounts for its investment in the original parent at cost, it will measure its investment in subsidiaries at the carrying amounts of the net assets of the subsidiary rather than the subsidiary's fair value. The Consolidated Entity has not yet determined the potential effects of the amendments.

(vi) AASB 2009-2 *Amendments to Australian Accounting Standards - Improving Disclosures about Financial Instruments (effective from 1 January 2009)*

In April 2009, the AASB published amendments to AASB 7 *Financial Instruments: Disclosures* to improve the information that entities report about their liquidity risk and the fair value of their financial instruments. The amendments require fair value measurement disclosures to be classified into a new three-level hierarchy and additional disclosures for items whose fair value is determined by valuation techniques rather than observable market values. The AASB also clarified and enhanced the existing requirements for the disclosure of liquidity risk of derivatives. The Consolidated Entity will apply the amendments from 1 July 2009. They will not affect any of the amounts recognised in the financial statements but will impact the current disclosures of the Consolidated Entity's financial instruments.

(vii) AASB 2009-5 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (effective from 1 January 2010)*

In May 2009, the AASB issued a number of improvements to existing Australian Accounting Standards. The Consolidated Entity will apply the revised standards from 1 July 2009. The Consolidated Entity does not expect that any adjustments will be necessary as the result of applying the revised rules.

(viii) AASB 2009-6 *Amendments to Australian Accounting Standards* and AASB 2009-7 *Amendments to Australian Accounting Standards (effective from 1 January 2009 and 1 July 2009, respectively)*

In June 2009, the AASB issued AASB 2009-6 and AASB 2009-7. The Standards make numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. AASB 2009-6 is applicable to annual reporting periods beginning on or after 1 January 2009 that end on or after 30 June 2009. AASB 2009-7 is applicable to annual reporting periods beginning on or after 1 July 2009. There are no changes to any of the accounting policies necessary as a result of these amendments.

(q) Rounding of amounts

The Consolidated Entity is an entity of the kind referred to in Class Order 98/0100 (as amended), issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, unless otherwise indicated.

(r) Investments in subsidiaries

Investments in subsidiaries are measured in accordance with note 2(c).

2 Summary of significant accounting policies (continued)

(r) Investments in subsidiaries (continued)

The proportion of ownership interest is equal to the proportion of voting power held.

3 Trust distributions

	Consolidated		Parent	
	For year ended		For year ended	
	30 June	30 June	30 June	30 June
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
Unlisted trusts	<u>5.520</u>	<u>9,720</u>	<u>101,833</u>	<u>89,950</u>

4 Net gains/(losses) on financial assets held at fair value through profit or loss

	Consolidated		Parent	
	For year ended		For year ended	
	30 June	30 June	30 June	30 June
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
Net unrealised gains/(losses) on financial assets designated at fair value through profit or loss				
Unlisted trusts	(202,546)	(220,922)	(435,703)	(325,135)
Net realised gains/(losses) on financial assets designated at fair value through profit or loss				
Unlisted trusts	<u>(325,775)</u>	<u>(124,421)</u>	<u>(79,187)</u>	<u>(10,365)</u>
Total net gains/(losses) on financial assets designated at fair value through profit or loss	<u>(528,321)</u>	<u>(345,343)</u>	<u>(514,890)</u>	<u>(335,500)</u>

5 Auditors' remuneration

During the year the following fees were paid or payable for services provided by the auditor of the Consolidated Entity:

	Consolidated		Parent	
	For year ended		For year ended	
	30 June	30 June	30 June	30 June
	2009	2008	2009	2008
	\$	\$	\$	\$
Assurance services				
Audit of financial reports	41,324	38,534	20,662	19,267
Other services under the <i>Corporations Act 2001</i>	<u>23,351</u>	<u>24,387</u>	<u>10,392</u>	<u>11,491</u>
Total remuneration for audit services	<u>64,675</u>	<u>62,921</u>	<u>31,054</u>	<u>30,758</u>

Auditors' remuneration is paid directly by the Responsible Entity.

6 Net assets attributable to unitholders

Movements in number of units and net assets attributable to unitholders during the year were as follows:

	Consolidated As at			
	30 June 2009 No. '000	30 June 2008 No. '000	30 June 2009 \$'000	30 June 2008 \$'000
Opening balance	808,352	636,328	2,375,733	2,141,897
Applications	315,115	395,097	752,528	1,337,474
Redemptions	(187,694)	(237,007)	(440,684)	(815,464)
Units issued upon reinvestment of distributions	6,277	13,934	15,325	47,325
Adjustment for changes in net assets attributable to unitholders between the Consolidated Entity and parent entity	-	-	4,255	1,511
Increase/(decrease) in net assets attributable to unitholders	-	-	(519,145)	(337,010)
Closing balance	<u>942,050</u>	<u>808,352</u>	<u>2,188,012</u>	<u>2,375,733</u>

	Parent As at			
	30 June 2009 No. '000	30 June 2008 No. '000	30 June 2009 \$'000	30 June 2008 \$'000
Opening balance	808,352	636,328	2,375,733	2,141,897
Applications	315,115	395,097	752,528	1,337,474
Redemptions	(187,694)	(237,007)	(440,684)	(815,464)
Units issued upon reinvestment of distributions	6,277	13,934	15,325	47,325
Increase/(decrease) in net assets attributable to unitholders	-	-	(514,890)	(335,499)
Closing balance	<u>942,050</u>	<u>808,352</u>	<u>2,188,012</u>	<u>2,375,733</u>

Capital risk management

The Consolidated Entity manages its net assets attributable to unitholders as capital, not withstanding net assets attributable to unitholders are classified as financial liability. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Consolidated Entity is subject to daily applications and redemptions at the discretion of unitholders.

The Consolidated Entity's strategy is to hold a certain portion of the net assets attributable to unitholders in liquid investments. As such, the Consolidated Entity will meet any capital requirements from the liquidation of liquid assets which include cash and cash equivalents, listed equities and unlisted unit trusts.

7 Distributions to unitholders

The distributions for the year were as follows:

	Parent		Parent	
	For year ended		For year ended	
	30 June	30 June	30 June	30 June
	2009	2009	2008	2008
	\$'000	CPU	\$'000	CPU
Distributions				
31 December - Distribution paid	38,975	4,448	41,051	5,447
30 June - Distribution payable	<u>44,429</u>	<u>4,716</u>	<u>26,210</u>	<u>3,242</u>
Total Distributions	<u>83,404</u>		<u>67,261</u>	

8 Cash and cash equivalents

	Consolidated		Parent	
	As at		As at	
	30 June	30 June	30 June	30 June
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
Cash at bank	<u>38,162</u>	<u>68,999</u>	-	-

9 Receivables

	Consolidated		Parent	
	As at		As at	
	30 June	30 June	30 June	30 June
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
Trade receivables	10,817	11,624	3,701	5,534
Accrued distributions	875	3,297	53,219	37,283
Applications receivable	10,780	12,461	5,218	8,250
Dividends receivable	13,574	12,273	-	-
RITC receivable	<u>642</u>	<u>613</u>	<u>448</u>	<u>538</u>
	<u>36,688</u>	<u>40,268</u>	<u>62,586</u>	<u>51,605</u>

10 Financial assets held at fair value through profit or loss

	Consolidated		Parent	
	As at		As at	
	30 June	30 June	30 June	30 June
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
Designated at fair value through profit or loss				
Listed equities	2,283,038	2,405,174	-	-
Unlisted trusts	<u>-</u>	<u>-</u>	<u>2,180,523</u>	<u>2,366,057</u>
Total financial assets designated at fair value through profit or loss	<u>2,283,038</u>	<u>2,405,174</u>	<u>2,180,523</u>	<u>2,366,057</u>

11 Investments in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in 2(b). Subsidiaries are recorded in the parent entity's financial statement as part of financial assets held at fair value through profit or loss. All investments are domiciled in Australia.

	Ownership interest	
	30 June 2009	30 June 2008
Significant subsidiaries		
Ausbil Managed Trusts - Australian Active Equity Fund	97.19 %	97.57 %

12 Payables

	Consolidated As at		Parent As at	
	30 June 2009 \$'000	30 June 2008 \$'000	30 June 2009 \$'000	30 June 2008 \$'000
Trade payables	51,572	28,500	5,216	4,581
Accrued expenses	1,751	1,937	1,751	1,937
Redemptions payable	7,291	19,972	3,701	9,201
	<u>60,614</u>	<u>50,409</u>	<u>10,668</u>	<u>15,719</u>

13 Segment information

The Consolidated Entity is organised into one main segment which operates solely in the business of investment management within Australia. Consequently, no segment reporting is provided in the Consolidated Entity's financial statements.

While the Consolidated Entity operates from Australia only (the geographical segment) the Consolidated Entity may have investment exposures in different countries and across different industries.

14 Financial risk management

(a) Objectives, strategies, policies and processes

The Consolidated Entity's activities expose it to a variety of financial risks: market risk (including price risk, foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Consolidated Entity's overall risk management program focuses on ensuring compliance with the Scheme's Product Disclosure Statement and seeks to maximise the returns derived for the level of risk to which the Consolidated Entity is exposed. Financial risk management is carried out by an Investment Manager under policies approved by the Board of Directors of the Responsible Entity (the Board).

The Consolidated Entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of price and interest rate risks, and maturity analysis for liquidity risk.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: price risk, foreign currency risk and interest rate risk.

14 Financial risk management (continued)

(i) Price risk

The Consolidated Entity is exposed to equity securities price risk. This arises from investments held by the Consolidated Entity for which prices in the future are uncertain. The investments are classified on the balance sheet as at fair value through profit or loss. All investments present a risk of loss of capital and the maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

The Investment Manager mitigates this price risk through a careful selection of securities within specified limits set by the Investment Committee in accordance with mandates and overall investment strategy. Between 90% and 110% of the net assets attributable to unitholders are invested in publicly listed Australian equity securities that are primarily chosen from the S&P/ASX 300 index. Compliance with the Consolidated Entity's Product Disclosure Statement and the Consolidated Entity's tracking error with reference to the S&P/ASX 300 Accumulation Index, which is the Consolidated Entity's target benchmark, is reported to the Investment Committee on a monthly basis.

At 30 June 2009, if the equity prices had increased by 10% (2008: 10%) with all other variables held constant, this would have increased net assets attributable to unitholders of the Consolidated Entity (and net operating profit/(loss) of the Consolidated Entity) by approximately \$228,303,800 (2008: \$240,517,400). Conversely, if the equity prices had decreased by 10% (2008: 10%), this would have decreased net assets attributable to unitholders of the Consolidated Entity (and net operating profit/(loss) of the Consolidated Entity) by approximately \$228,303,800 (2008: \$240,517,400). The analysis is performed on the same basis for 2008.

At 30 June 2009, if the equity prices had increased by 10% (2008: 10%) with all other variables held constant, this would have increased net assets attributable to unitholders of the Parent Entity (and net operating profit/(loss) of the Parent Entity) by approximately \$218,052,300 (2008: \$236,605,700). Conversely, if the equity prices had decreased by 10% (2008: 10%), this would have decreased net assets attributable to unitholders of the Parent Entity (and net operating profit/(loss) of the Parent Entity) by approximately \$218,052,300 (2008: \$236,605,700). The analysis is performed on the same basis for 2008.

(ii) Foreign exchange risk

The Consolidated Entity is not exposed to any foreign exchange risk arising from currency exposures as all its future commercial transactions and recognised assets and liabilities are denominated in Australian dollars.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

For the years ended 30 June 2009 and 30 June 2008, the Consolidated Entity did not hold fixed interest securities and therefore the Scheme's financial position was not exposed to interest rate movements.

The impact of interest rate movements on cash deposits is not considered material.

(c) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Consolidated Entity's exposure to credit risk arises from cash deposited with National Australia Bank (NAB), which has a Standard & Poor's investment rating of AA, and from amounts due from brokers. The credit risk arising from amounts due from brokers is mitigated by the contractual settlement arrangement with the Consolidated Entity's custodian, NAB Asset Servicing. This means that NAB will credit the Consolidated Entity's accounts with cash on contractual settlement date, whether the underlying securities transaction has actually settled or not.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets disclosed in the Balance Sheet. This does not represent the maximum risk exposure that could arise in the future as a result of changes in values, but best represents the current maximum exposure at the reporting date.

The Consolidated Entity holds no collateral as security or any other credit enhancements. There are no financial assets that are past due or impaired, or would otherwise be past due or impaired.

14 Financial risk management (continued)

(d) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. This risk is controlled through the Consolidated Entity's investment in financial instruments, which under normal market conditions are readily convertible to cash. In addition, the Consolidated Entity maintains sufficient cash and cash equivalents to meet normal operating requirements.

The Consolidated Entity's constitution provides for the daily application and redemptions of units and it is therefore exposed to the liquidity risk of meeting unitholder redemptions at any time. The Consolidated Entity's constitution allows the Responsible Entity to delay a redemption by up to 28 days after the date of receiving the redemption notice, if within 14 days of receiving the notice, the Responsible Entity receives, over a period of two consecutive business days, request for redemption in respect of 10% or more of the units issued in the Consolidated Entity, or, there is a fall in the S&P/ASX 300 Accumulation Index of the Australian Stock Exchange Limited of 5% or more compared to the level of that index at the date of receipt of the notice.

Maturity analysis for financial liabilities

The table below analyses the Consolidated Entity's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheets date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Consolidated	Less than 1 month \$'000	2-3 months \$'000	4-12 months \$'000	13-60 months \$'000
At 30 June 2009				
Payables	53,323	-	-	-
Distributions payable	45,967	-	-	-
Redemptions payable	7,291	-	-	-
Net assets attributable to unitholders	2,188,012	-	-	-
Net assets attributable to minority interest	<u>63,295</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total financial liabilities	<u>2,357,888</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Less than 1 month \$'000	2-3 months \$'000	4-12 months \$'000	13-60 months \$'000
At 30 June 2008				
Payables	30,437	-	-	-
Distributions payable	27,140	-	-	-
Redemptions payable	19,972	-	-	-
Net assets attributable to unitholders	2,375,733	-	-	-
Net assets attributable to minority interest	<u>61,159</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total financial liabilities	<u>2,514,441</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Less than 1 month \$'000	2-3 months \$'000	4-12 months \$'000	13-60 months \$'000
Parent				
	Less than 1 month \$'000	2-3 months \$'000	4-12 months \$'000	13-60 months \$'000
At 30 June 2009				
Payables	6,967	-	-	-
Distributions payable	44,429	-	-	-
Redemptions payable	3,701	-	-	-
Net assets attributable to unitholders	<u>2,188,012</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total financial liabilities	<u>2,243,109</u>	<u>-</u>	<u>-</u>	<u>-</u>

14 Financial risk management (continued)

	Less than 1 month \$'000	2-3 months \$'000	4-12 months \$'000	13-60 months \$'000
At 30 June 2008				
Payables	6,518	-	-	-
Distributions payable	26,210	-	-	-
Redemptions payable	9,201	-	-	-
Net assets attributable to unitholders	<u>2,375,733</u>	-	-	-
Total financial liabilities	<u>2,417,662</u>	-	-	-

(e) Estimation of fair values of financial assets and financial liabilities

The carrying amounts of all the Consolidated Entity's financial assets and financial liabilities at the balance sheets date approximated their fair values as all financial assets and liabilities not fair valued are short-term in nature.

For the years ended 30 June 2009 and 30 June 2008, the Consolidated Entity did not include financial assets and financial liabilities that were determined using valuation techniques. The fair values of the Consolidated Entity's financial assets and liabilities for the years then ended were determined directly, in full or in part, by reference to quoted prices that were available from various sources, such as exchanges, dealers, brokers, industry groups and pricing services.

15 Related parties

Responsible Entity

The Responsible Entity of Ausbil Investment Trusts - Australian Active Equity Fund is Ausbil Dexia Limited.

Key management personnel

Directors

Key management personnel includes persons who were directors of Ausbil Dexia Limited at any time during the financial year as follows:

P Xiradis
H M Tranchimand (Resigned 23 April 2009)
T de Villenfagne
A Lancaster
J Grace
W Vermeir
N Abou-Jaoudé
M Vanderelst (Appointed 23 April 2009)

Manager's fees and other transactions

All related party transactions are conducted on normal commercial terms and conditions.

Under the terms of the Scheme's Constitution, the Responsible Entity is entitled to receive management fees, calculated by reference to the average daily net assets (excluding net assets attributable to unitholders) of the Scheme. The transactions during the year and amount payable at year end between the Consolidated Entity and Responsible entity are as follows:

15 Related parties (continued)

	Consolidated Year ended		Parent Year ended	
	30 June 2009 \$	30 June 2008 \$	30 June 2009 \$	30 June 2008 \$
Fees for the year by the Scheme*	<u>18,429,495</u>	<u>22,734,475</u>	<u>18,429,495</u>	<u>22,734,475</u>
Aggregate amounts payable to the Responsible Entity at reporting date	<u>1,750,877</u>	<u>1,936,715</u>	<u>1,750,877</u>	<u>1,936,715</u>

* Where the Consolidated Entity invests into other schemes managed by the Responsible Entity, the Responsible Entity's fee is calculated after rebating fees charged in the underlying schemes.

Related party schemes' unitholdings

Parties related to the Consolidated Entity (including Ausbil Dexia Limited, its related parties and other Schemes managed by Ausbil Dexia Limited), hold no units in the Consolidated Entity.

Key management personnel unitholdings

At 30 June 2009 no key management personnel held units in the Consolidated Entity (2008: Nil).

Key management personnel compensation

Key management personnel are paid by Ausbil Dexia Limited. Payments made from the Consolidated Entity to Ausbil Dexia Limited do not include any amounts attributable to the compensation of key management personnel.

Key management personnel loan disclosures

The Consolidated Entity has not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting period.

Investments

The parent entity held investments in the following Scheme which is also managed by Ausbil Dexia Limited or its related parties:

	Fair value of investment		Parent Interest held		Distributions received/receivable	
	2009 \$	2008 \$	2009 %	2008 %	2009 \$	2008 \$
Ausbil Managed Trusts - Australian Active Equity Fund	<u>2,180,523,035</u>	<u>2,366,057,351</u>	<u>97.19</u>	<u>97.57</u>	<u>101,833,020</u>	<u>89,949,859</u>

Other transactions within the Scheme

From time to time directors of Ausbil Investment Trusts - Australian Active Equity Fund, or their director-related entities, may invest in or withdraw from the Scheme. These investments or withdrawals are on the same terms and conditions as those entered into by other Scheme investors.

Apart from those details disclosed in this note, no key management personnel of the Responsible Entity have entered into a material contract with the Scheme since the end of the previous financial year and there were no material contracts involving director's interests at year end.

16 Reconciliation of net profit/(loss) to net cash outflow from operating activities

	Consolidated		Parent	
	For year ended		For year ended	
	30 June	30 June	30 June	30 June
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
(a) Reconciliation of net profit/(loss) to net cash outflow from operating activities				
Net profit/(loss) for the year	-	-	-	-
Increase/(decrease) in net assets attributable to unitholders	(531,649)	(345,423)	(514,890)	(335,499)
Proceeds from sale of financial assets held at fair value through profit or loss (including net realised gains/(losses))	1,314,931	1,134,555	512,335	941,052
Purchase of financial assets held at fair value through profit or loss	(1,704,475)	(1,419,346)	(753,327)	(1,341,855)
Net gains on financial instruments held at fair value through profit or loss	528,321	345,343	514,890	335,500
Distributions reinvested	(892)	(10,708)	(85,897)	(179,879)
Net change in accrued income and prepaid expenses	1,092	5,600	(15,846)	89,835
Net change in accounts payable and accrued liabilities	(186)	(275)	(186)	202
Distribution to unitholders	86,148	69,729	83,404	67,261
Net cash inflow/(outflow) from operating activities	(306,710)	(220,525)	(259,517)	(423,383)
(b) Components of cash and cash equivalents				
Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the balance sheet as follows:				
Cash and cash equivalents	<u>38,162</u>	<u>68,999</u>	<u>-</u>	<u>-</u>
(c) Non-cash financing and investing activities				
During the year, the following dividends/distributions received were reinvested	892	10,708	85,897	179,879
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan	15,325	47,325	15,325	47,325

17 Events occurring after the balance date

No significant events have occurred since balance date which would impact on the financial position of the Consolidated Entity disclosed in the balance sheets as at 30 June 2009 or on the results and cash flows of the Consolidated Entity for the year ended on that date.

18 Contingent assets and liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2009 and 30 June 2008.

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 6 to 26 are in accordance with the *Corporations Act 2001*, including
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true view of the Consolidated Entity's and Scheme's financial position as at 30 June 2009 and of their performance, for the year ended on that date.
- (b) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.



P Xiradis
Director

Sydney
23 September 2009

**Independent auditor's report to the unitholders of
Ausbil Investment Trusts – Australian Active Equity Fund**

Report on the financial report

We have audited the accompanying financial report of Ausbil Investment Trusts – Australian Active Equity Fund (the scheme), which comprises the balance sheet as at 30 June 2009, and the income statement, statement of recognised income and expense and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for both Ausbil Investment Trusts – Australian Active Equity Fund and the Ausbil Investment Trusts – Australian Active Equity Fund group (the consolidated entity). The consolidated entity comprises the scheme and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of Ausbil Dexia Limited (the responsible entity) are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

**Independent auditor's report to the unitholders of
Ausbil Investment Trusts – Australian Active Equity Fund (continued)**

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

- (a) the financial report of Ausbil Investment Trusts – Australian Active Equity Fund is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the scheme's and consolidated entity's financial position as at 30 June 2009 and of their performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the consolidated financial statements and notes/parent entity financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2.



PricewaterhouseCoopers



Rob Spring
Partner

Sydney
23 September 2009

**Independent auditor's report to the unitholders of
Ausbil Investment Trusts – Australian Active Equity Fund**

Report on the financial report

We have audited the accompanying financial report of Ausbil Investment Trusts – Australian Active Equity Fund (the scheme), which comprises the balance sheet as at 30 June 2009, and the income statement, statement of recognised income and expense and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for both Ausbil Investment Trusts – Australian Active Equity Fund and the Ausbil Investment Trusts – Australian Active Equity Fund group (the consolidated entity). The consolidated entity comprises the scheme and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of Ausbil Dexia Limited (the responsible entity) are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

**Independent auditor's report to the unitholders of
Ausbil Investment Trusts – Australian Active Equity Fund (continued)**

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

- (a) the financial report of Ausbil Investment Trusts – Australian Active Equity Fund is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the scheme's and consolidated entity's financial position as at 30 June 2009 and of their performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the consolidated financial statements and notes/parent entity financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2.

Matters relating to the electronic presentation of the audited financial report

This auditor's report relates to the financial report and remuneration report of Ausbil Investment Trusts – Australian Active Equity Fund (the scheme) for the year ended 30 June 2009 included on the Ausbil Dexia Limited (responsible entity) web site. The responsible entity's directors are responsible for the integrity of the Ausbil Dexia Limited web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the financial report named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.


PricewaterhouseCoopers



Rob Spring
Partner

Sydney
23 September 2009